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Electronically Recorded Official Public Records

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CHESAPEAKE ENERGY CORP. ATTN: RECORDING TEAM P.O. Box 18496 Oklahoma City, OK 73154

Submitter: Chesapeake Operating, Inc.

MARY LOUISE GARCIA TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD

ELECTRONICALLY RECORDED BY SIMPLIFILE

> ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORGEABLE UNDER FEDERAL LAW.

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

PAID UP OIL AND GAS LEASE

10586805

(No Surface Use)

Electronically Recorded Chesapeana Operating, Inc.

THIS LEASE AGREEMENT is made this 24th day of February, 2011, by and between Barbara Rokkas and Janie Sideris, individually and as heirs to the Estates of Katie Koutsoubos, deceased, Jimmie Sparto, deceased and Mary Sparto, deceased whose address is 616 N. Riverside Drive, Fort Worth, TX 76111, as Lessor, and Chesapeake Exploration, L.L.C., P.O. Box 18496, Oklahoma City, OK 73154, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described

land, hereinafter called leased premises;

1.14 ACRES OF LAND, MORE OR LESS, BEING described on the attached "Exhibit A",

in the county of TARRANT, State of TEXAS, containing 1.14 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions becen ursuant to the provisions hereof.
- 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be One-fourth (25)% of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be One-fourth (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or tands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are waiting on hydraulic fracture stimulation, but such well or wells are shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut-in or production there from is not being sold by Lessee, then Lessee shall pay shut-in royalty of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production there from is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall needer Lessee the lease of the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty payment similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be one-fourth (25)% of the proceeds

- at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or reture accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

 5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities; (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event lakese is not otherwise being maintained in force it shall nevertheless remain in force or lakese commences operations for reworking an existing well or for drilling an additional well or for otherwise being maintained in force but Lessee is then engaged in distilling, revorking or any other of the primary term, or at any time thereafter, this lesse is not otherwise being maintained in force but Lessee is then engaged in distilling, revorking or any other of the primary term, or at any time thereafter, this lesse is not otherwise being maintained in force but Lessee is then engaged in distilling, revorking or any other of the primary term, or at any time thereafter, this lesse is not otherwise being maintained in force but Lessee is then engaged in distilling, revorking or any other of the primary term, or at any time thereafter, this lesse is not otherwise being maintained in force but Lessee is then engaged in distilling, revorking or any other of the primary term, or at any time thereafter, this lesse is not otherwise being maintained in force but Lessee is then engaged in distilling and the distilling and t
- of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the salisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest so re

If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shul-in royalties shall be proportionately reduced

- If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shul-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or such other lands and to commercial timber and growing crops thereon. Lessee shall have the right all any time to remove its futures, equipment and materials, including well casing, from the
- when drilling, production or other operations are so prevented, delayed or interrupted.

12 Intentionally left blank

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after udicial determination to remedy the breach or default and Lessee fails to do so.

14. Intentionally left blank.

- 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
 - 16 Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

of February _,2011, ATTACHED. ADDENDUM DATED

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas own

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

Signature: Markan Cohka Printed Name: Barbara Rokkas Printed Name: anu

Signature: <u>Jamie Sideris</u>

ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF TARRANT

This instrument was acknowledged before me on the

day of Jeb ,2011, by Barbara Rokkas

PATRICIA K. SCHOLL Notary Public STATE OF TEXAS My Comm. Eqs. Sept. 20, 2014 Notary Public, State of Texas Notary's name (printed): Notary's commission expires:

STATE OF TEXAS COUNTY OF TARRANT

IS

, 2011, by Janie Sideris

Notary Public, State of Texas Notary's name (printed): Notary's commission expires:

rholl

PATRICIA K. SCHOLL Notary Public STATE OF TEXAS My Comm. Exp. Sept. 20, 2014 NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ADDENDUM

Attached hereto and made a part of that certain Oil, Gas, and Mineral Lease dated June 26, 2009 by and between Barbara Rokkas and Janie Sideris, individually and as heirs to the Estates of Katie Koutsoubos, deceased, Jimmie Sparto, deceased and Mary Sparto, deceased, as Lessor, and Chesapeake Exploration, L.L.C. as Lessee, to-wit:

- The provisions of this Addendum shall control over any conflict with any provision, or part thereof, of the Oil, Gas and Mineral Lease to which this Addendum is attached.
- All references herein to a 1/4th royalty are hereby amended to provide a royalty of 27 1/2%, and the royalty or any other substance other than hydrocarbons produced, including but not limited to sulphur, shall also be 27 1/2% of the current market value. Any royalty and/or overriding royalty paid under this lease to Lessor shall in no event be less than Lessor's royalty, or overriding royalty percentage, as the case may be, specified by this Lease of any amount for sale of any production which is actually received by Lessee, all sales to be at arm's length. The royalty on gas shall be computed on the gross proceeds received by Lessee. Lessee shall not make any deduction for, and shall bear, all cost and expenses of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, marketing, marketing fees or commissions and otherwise making the production ready for sale or transportation (collectively, "post-production expenses"). The provisions of this paragraph are not surplusage under the principles set forth in Heritage Resources v. Nations Bank, 939 SW2d 118 (Tex.1997).
- 19. The leased premises described on the attached "Exhibit A" shall be pooled into the Rokkas Unit.
 - This lease to which this Addendum is attached is being executed pursuant to the terms 20. described in Paragraph 41 of Addendum attached to that certain Oil, Gas and Mineral Lease dated August 2, 2006, by and between Peter W. Rokkas, Barbara Rokkas, and A.B. Investments, as Lessor, and Dale Resources, L.L.C., as Lessee, whose successor in interest is Chesapeake Exploration, L.L.C.
 - 21. Lessors reserve the right of a perpetual subsurface well bore easement from Lessee. unless a well bore is originating from the Rokkas Drill Site.
 - 22. This Lease does not cover any other property, only the property described in Exhibit "A" and small strips of land associated with the land in Exhibit "A".

END OF ADDENDUM

Signature Barbara Rokhar

Printed Name BARBARA ROKKA

Signature Panie Sideris

Printed Name Janie Sideris

ACKNOWLEDGMENT

PATRICIA K. SCHOLL

STATE OF TEXAS My Comm. Exp. Sept. 20, 2014

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on the <u>25</u> day of <u>Jebruon</u>u

by Barbara ROKKAS

Notary Public, State of Texas

Notary's name (printed):

Notary's Commission expires:

STATE OF TEXAS **COUNTY OF TARRANT**

This instrument was acknowledged before me on the 35anie Sideris

PATRICIA K. SCHOLL Notary Public STATE OF TEXAS My Comm. Exp. Sept. 20, 2014

Notary Public, State of Texas Notary's name (printed):

day of Jebruany 2011 by

Notary commission Expires

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EXHIBIT "A"

1.14 acres, out of the J. Baugh Survey, A-115 and the R. Crowley Survey, A-313, being Lot 1 of the Bailey Gardens Addition according to that certain Plat recorded in Volume 939, page 569, Deed Records of Tarrant County, Texas, and being the same lands more particularly described as 16.32 acres, more or less, by that certain Warranty Deed dated March 12, 1927, from Wm. J. Bailey, to S. Spartos, recorded in Volume 958, Page 280, Deed Records of Tarrant County, Texas, Less and Except, 8.218 acres, more or less, being the same lands conveyed by the certain Right-of-Way Deed dated July 5, 1930, from S. Spartos and wife, Masculia Spartos, to Tarrant County, Texas, recorded in Volume 1116, Page 407, Deed Records of Tarrant County, Texas, Further less and Except, 0.907 acres of land, more or less, being the same lands conveyed by that certain Deed dated April 13, 1931, from S. Spartos and wife, Muscula Spartos, to Tarrant County, Texas, recorded in Volume 1135, Page 162, Deed Records of Tarrant County, Texas, Further Less and Except, an unknown amount of acres, being that portion of 7.71 acres more particularly described by that certain Constable's Deed to Individual in Delinquent Tax Suit dated August 6, 2002, from Zane Hilger, Constable, to AB Investments, recorded as Tarrant County Clerk Instrument no. D202271020, lying outside the bounds of 4.0 acres described by that certain Warranty Deed dated September 29, 1931, from Margaret J. Lydon and husband, J. J. Lyndon, to S. Spartos, recorded in Volume 1143, Page 469, Deed Records of Tarrant County, Texas.

The above described property has also been previously described as 0.95 acres, more of less, being a portion of Lot 1 of the Bailey Gardens Addition, more particularly described by metes and bound according to that certain Plat dated November, 1926 recorded in Volume 939, Page 569 of the Deed Records, Tarrant County, Texas.

END OF EXHIBIT "A"

Record & Return to: Chesapeake Operating, Inc. P.O. Box 18496 Oklahoma City, OK 73154

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